REMARKS

Claims 1-2, 5-6, and 8 were pending in this Application as of the Office Action of October 3, 2008. Claims 1, 5, and 6, are amended with this Response, and claim 8 is cancelled. An RCE entering this response is also filed herewith.

Rejections under 35 U.S.C. 112, second paragraph

Claims 5 and 6 have been rejected under 35 U.S.C. 112, second paragraph for being allegedly indefinite. In response, applicant first and respectfully points out that, despite the Examiner's claims to the contrary, claims 5 and 6 were previously amended to depend from claim 2. However due to issues of font, the "strike through" of "4" in these claims did not sufficiently show in the amended claims, causing each to appear to depend from claim "42." As a remedy, Applicant respectfully amends a "42" in each claim to read as "1" by adding a "1" character and placing "42" in brackets.

Applicant also further amends claims 5 and 6 to overcome the additional second paragraph issues regarding "function of value" and "function of authentication certainty."

Rejections under 35 U.S.C. 102(b)

Claims 1, 2, 5, 6, and 8 are rejected under 35 U.S.C. 102(b) as being anticipated by the United States Publication No. 2001/0006556 to Graves ("Graves" hereinafter).

Applicant respectfully traverses.

"A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. V. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

Applicant's amended claim 1 recites inter alia,

"providing visual verification when the probability does not meet the predetermined criteria and the document is negatively authenticated, the visual verification including:

recording the document as an image and presenting the image to an operator, and at least one of accepting the document when the document passes the visual verification and refusing acceptance when the document does not the visual verification.."

Graves does not teach provision of visual verification when a probability does not meet a predetermined criteria and the document is negatively authenticated, wherein the visual verification includes recording the document as an image and presenting the image to an operator, and accepting the document when the document passes the visual verification or refusing acceptance when the document does not the visual verification. On the contrary, Graves teaches provision of a signal in case of a "no call document," wherein the signal is recorded in memory for subsequent recall, review, and/or print out by an operator. Such a provision as taught by Graves allows for a reviewable record indicating the presence of a "no call document" in a stack of documents. This Graves provision merely indicates to the operator that a stack of banknotes may contain counterfeit documents. The corresponding signal that is created by a microprocessor (and recorded) *is only taught to be reviewed in Graves*. The Graves operator makes no further decision regarding *acceptance* or *refusal*, as required by Applicant's amended claim 1 (please see Graves, paragraph 42).

Such an ability to accept or refuse genuine documents allows for improvements in document acceptance. For example, in the field of public transport (such as bus transport), the driver of the transport can view an image of a rejected banknote, which the driver can then accept or refuse based on the image. This increases flexibility in banknote acceptance applications.

For at least the above reasons, Applicant respectfully asserts that Graves does not teach every element of Applicant's claim 1, or claims 2 and 5-6 that depend therefrom

(claim 8 is cancelled). As such, it is respectfully submitted that Applicant's claims 1-2 and 5-6 are not anticipated by Graves.

Claim Rejections Under 35 U.S.C. §103

Claims 1, 2, 5, 6, and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable Graves in view of Official Notice. Applicant respectfully traverses this rejection.

For an obviousness rejection to be proper, the Examiner must meet the burden of establishing that all elements of the invention are disclosed in the prior art and that the prior art relied upon, coupled with knowledge generally available in the art at the time of the invention, must contain some suggestion or incentive that would have motivated the skilled artisan to modify a reference or combined references. *In re Fine*, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1988); *In Re Wilson*, 165 U.S.P.Q. 494, 496 (C.C.P.A. 1970); *Amgen v. Chugai Pharmaceuticals Co.*, 927 U.S.P.Q.2d, 1016, 1023 (Fed. Cir. 1996).

For at least the reasons discussed above, Applicant respectfully asserts that Graves does not teach or suggest all of the limitations of Applicant's now amended claims 1, 2, 5, and 6 (claim 8 has been cancelled). Accordingly, Applicant respectfully submits that *prima* facie obviousness does not exist regarding claims 1, 2, 5, and 6 with respect to Graves.

Since Graves does not teach every element of Applicant's claims 1, 2, 5, and 6, one of ordinary skill at the time of Applicant's invention would not have a motivation to modify Graves, or a reasonable likelihood of success in forming the claimed invention by modifying Graves. Thus, here again, *prima facie* obviousness does not exist. *Id*.

As such, the requirements of *prime facie* obviousness does not exist regarding claims 1, 2, 5, and 6 with respect Graves.

Conclusion

Applicant hereby petitions under 37 C.F.R. §1.136 for any extension of time required for entry and consideration of this submission.

The Office is invited to contact Applicant's attorneys at the below-listed telephone number concerning this Submission or otherwise regarding the present application.

If there are any charges with respect to this Submission, or otherwise, please charge them to Deposit Account No. 06-1130 maintained by Applicant's attorneys.

Respectfully submitted, CANTOR COLBURN LLP

By: /Daniel R. Gibson/

Daniel R. Gibson Registration No. 56539 CANTOR COLBURN LLP 20 Church Street 22nd Floor Hartford, CT 06103

Telephone: 860-286-2929 Facsimile: 860-286-0115 Customer No. 23413

Date: December 30, 2008